

NEW NICKEL DISCOVERY AT BLAIR NORTH

- **The first hole of a 3,750 metre RC drilling programme which commenced on Monday 16 June, intersected two zones of nickel mineralisation close to surface**
- **Results include 8m @ 1.84% nickel and 1m @ 4.4% nickel**
- **Good width and grade only 120m below surface with high potential for up dip extension**
- **Potential for further high grade intersections adjacent to and along strike**
- **High potential for a new deposit in a prime location, 30km southeast of Kalgoorlie**

BLAIR NORTH PROSPECT E25/268 – EAST KALGOORLIE PROJECT, WESTERN AUSTRALIA

(Northern Mining earning 75%, Cazaly Resources 25%, ASX: CAZ)

Assay results from the just completed reverse circulation (RC) drill hole into a massive nickel sulphide target indicate a significant new nickel discovery with near surface primary nickel sulphide mineralisation at the Blair North prospect, 30km southeast of Kalgoorlie, Western Australia. Two zones of nickel mineralisation were intersected in hole BNRC019 (Table 1).

Table 1: Hole BNRC019 – Significant Nickel Assay results

Hole Number	Northing	Easting	Dip	Azim	From (m)	To (m)	Intercept (m)	Ni Assay (%)	Cu Assay (ppm)	Comments
BNRC019 Including	6590399	381178	-50	105	156	164	8	1.84	1440	Sulphide Nickel
					156	159	3	2.63	2414	
					161	163	2	2.94	1825	
					161	162	1	4.40	2174	

Sampling was carried out on individual 1.0 metre intervals. Analysis was carried out at Kalassay Laboratories using total (4 acid) extraction prior to analysis by ICP/OES

Drill hole BNRC019 is the first hole to test the off-hole DHTeM anomaly highlighted by the recently completed downhole geophysical programme (ASX release 13 May 2008). The source of the anomaly lies above and slightly south of BNRC008 (Figure 1). Its modelled size ranges from 20m x 30m with very high conductivity thickness of 5000S to 30m x 50m with lower conductivity thickness of 2000S – both being consistent with a massive sulphide source. Because of its high conductivity, geological position and coincident geochemical response, the anomaly was recommended by Newexco as a high priority drill target.

BNRC019 intersected 8m of sulphides grading 1.84% Ni from 156m downhole depth including a 1m zone of strong sulphides grading 4.4% Ni from 161m downhole depth. The intercept occurs up dip from a previously reported nickel intercept in hole BNRC008 of 1m @ 0.53%Ni (ASX release 05 March 2008).

Commenting on the new discovery, Managing Director, Mr Craig Dawson, said “*This is an exciting new development for Northern Mining. The good width and grade of this intercept is further enhanced by the intercept being only 120m below surface with high potential for up dip extension. It supports our confidence in the*

PO Box 1007, Scarborough WA 6922 : Suite 24, Level 3, 25 Walters Drive Osborne Park WA 6016

Email admin@northernmining.com.au : Website www.northernmining.com.au

Telephone (08) 9244 8499 : Facsimile (08) 9244 3166

ABN: 30 113 654 229 : ACN: 113 654 229



prospectivity of the Blair North prospect and is the result of the excellent work undertaken by our geological consultants Newexco, lead by Adrian Black, Michael Woodhouse and Bill Amann. A detailed review of this result will be undertaken as soon as possible to allow for the planning of a follow-up drill programme”.

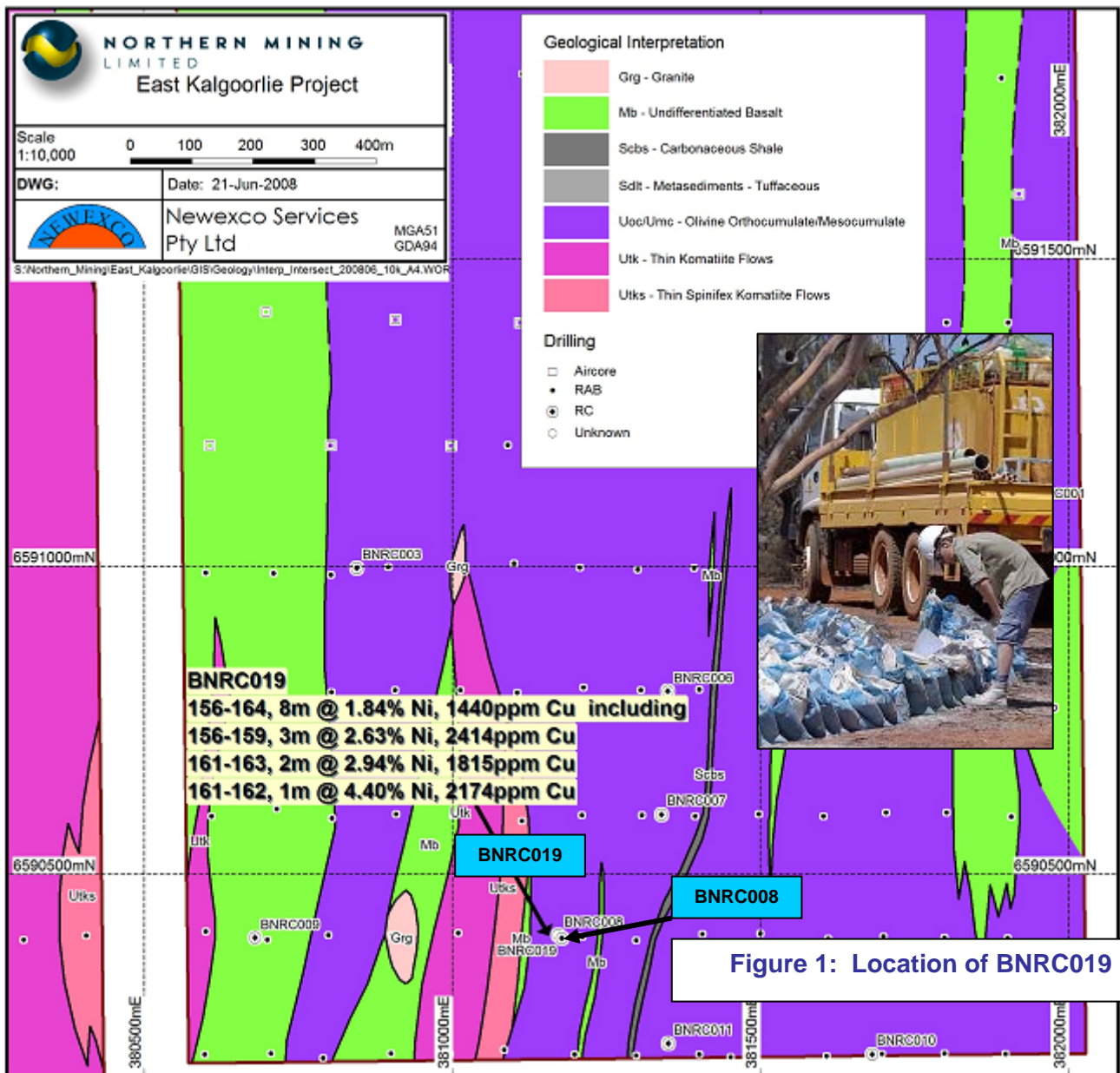
Newexco’s Adrian Black commented that “This is an exciting new discovery with the potential for further high grade intersections adjacent to, and along strike from the present drillhole. This discovery enhances the nickel prospectivity of the Blair North tenements in an area where there is very limited previous exploration and drilling”.

Hole BNRC019 was the first hole of a 3,750 metre RC drilling programme which commenced on Monday 16 June at E25/268 Blair North. The immediate aim of the programme was to drill test the massive nickel sulphide target associated with the off-hole anomaly, followed by extending the zone of gold mineralisation along strike and up/down dip from the previous intercepts. Previously reported best gold intercepts include: Hole BNRC010, 25 metres downhole* (from 99m to 124m) @ 4.05g/t Au, including internal high grade zones of 10m (from 107m to 117m) @ 8.39g/t Au. Hole BNRC017, 24 metres downhole* (from 36m to 60m) @ 2.16g/t Au, including an internal high grade zone of 8m (from 37m to 45m) @ 5.64g/t Au.

The drill rig has moved on to the gold focussed drilling at the Southern edge of the tenement and the Company will update the market with results from the programme as it progresses.

The programme has been designed by, and is being supervised by, Newexco Services Pty Ltd (Newexco).

Note * These are single hole intercepts into different mineralised occurrences and as such it is not possible to determine the orientation of the holes to the mineralisation. No meaningful, true width estimates of the mineralisation can therefore be made at this stage, as the attitude of the mineralised body is not known.



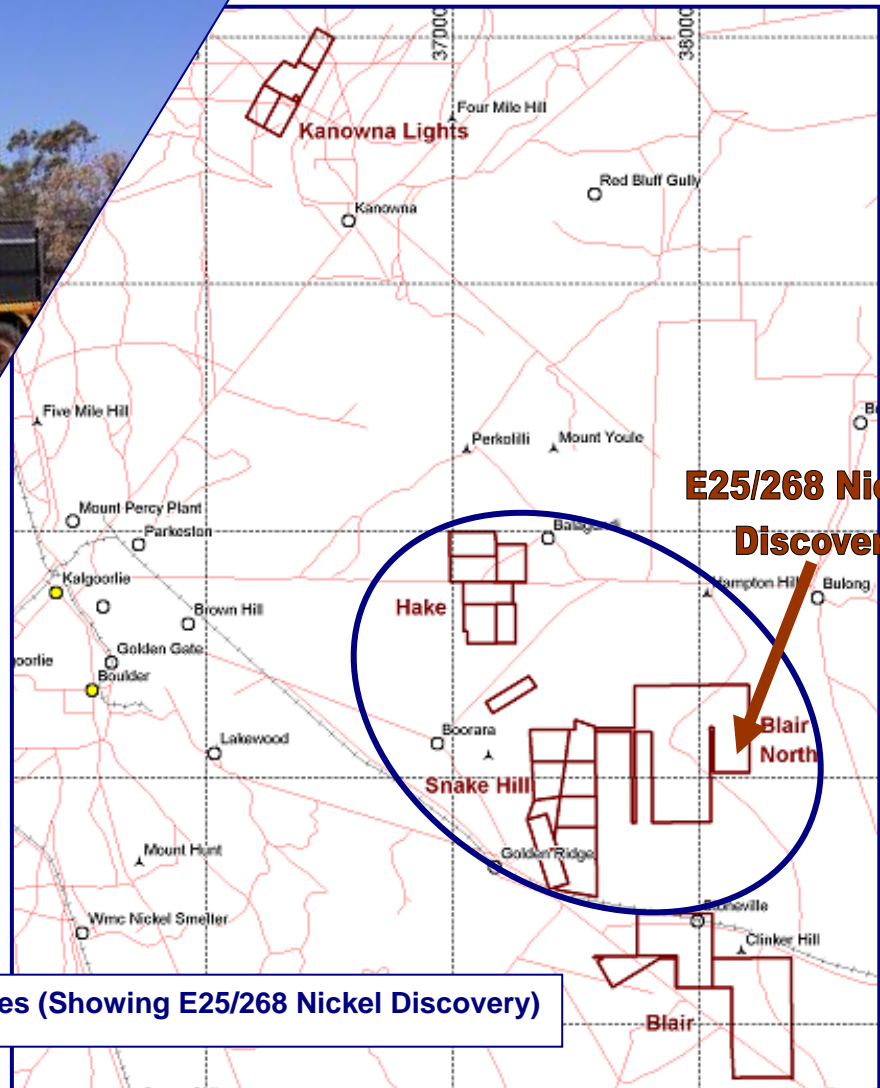


Figure 2: Current Drilling Programmes (Showing E25/268 Nickel Discovery)



Alan Lockett
 Chairman
 NORTHERN MINING LIMITED

Information in this announcement that relates to Exploration Results is based on information compiled by Adrian Black, Newexco Consulting Geologist, who has sufficient experience which is relevant to this style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Adrian Black as an independent consultant to Northern Mining Limited and is a member of the Australasian Institute of Geologists and consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

PO Box 1007, Scarborough WA 6922 : Suite 24, Level 3, 25 Walters Drive Osborne Park WA 6016

Email admin@northernmining.com.au : Website www.northernmining.com.au

Telephone (08) 9244 8499 : Facsimile (08) 9244 3166

ABN: 30 113 654 229 : ACN: 113 654 229

